



# BROWNFIELDS CASE STUDY

Wisconsin Department of Natural Resources

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## DeForest Redevelops Four Brownfield Sites for New Public Safety Building

In the fall of 1997, the Village of DeForest's Police and Fire Departments moved into the new Public Safety Building. A new town building is nothing unusual, but the location of this one is unique. The Village constructed this building on what were four brownfield properties in a blighted and underutilized part of town. This project was part of a downtown revitalization plan that included a Redevelopment Authority and Tax Incremental Financing District (TIF). In addition, liability exemptions and other tools from the Land Recycling Act and the 1997-1999 State Budget were utilized.

### Village History

The Village of DeForest is located about 15 miles north of Madison, Wisconsin. Originally, the Village was home to the agricultural supply coops and feed mills for nearby farmers. Then, in the 1980's the residential population exploded, due in part to the Village's low cost of living, safe neighborhoods, and easy commuting distance to Madison. Concurrently, an aging downtown and several failed and relocated businesses created a rundown, blighted inner core. This left the Village with a heavily weighted residential population and without a strong business-industrial tax base. They needed to keep old businesses and attract new ones to

the area. Unfortunately, the deteriorated state of the downtown discouraged investment and redevelopment.

In the early 1990's, the Village decided to take a proactive approach in dealing with this problem. With the advice of a consultant, the Village created a Redevelopment Authority to create a redevelopment plan and a TIF District to finance that redevelopment. Simultaneously, the need for a new Public Safety Building arose. The Village decided to make this their first redevelopment project. The Village could locate the building either on a greenfield site on the outskirts of town or on a brownfield site in the downtown. The Village chose the downtown brownfield site.

### Property Histories, Remediations and Acquisitions

A total of eight properties were acquired for this redevelopment project. In early 1994, the Village began acquiring the four non-brownfield properties and preparing them for construction. A year later the remaining four brownfield environmental remediations and acquisitions began. The four brownfield properties included:

- **The Former Village Fire Department:** This site was in use

until the Department moved into the new Public Safety Building. A petroleum leak was reported from one of their USTs in 1989. The contaminated soil was removed and landfilled and a groundwater pump and treat system was installed.

The property was already owned by the Village so acquisition was not a problem. However, the public records and knowledge of the Fire Department's spill gave neighboring property owners an alternative source for their property's contamination. As a result, the Village was forced to conduct additional investigations to prove that contaminants had not migrated off the Fire Department's site to contaminate neighboring properties.

- **Hamre Feeds:** This site had been in use since the turn of the century. Over this time several agricultural supply coops and feed mills had been located on the site, as well as a bulk petroleum storage facility. In 1991, a local bank was forced to repossess the property and under pre-1994 liability laws they were liable for the remediation.

When the bank learned the Village was interested in purchasing the property, they immediately began the remediation process. Contaminated soil was identified, removed and landfilled. Once the property had met DNR

cleanup standards, the Village purchased the site.

- **Danco Coop:** This site had been used by an agricultural supply coop since the 1920's. The Coop had been closed for a number of years and the site was for sale. Unfortunately, gasoline, pesticides, and fertilizers had all been stored onsite, so suspected contamination from inadvertent spills dissuaded buyers.

When the owners learned that the Village was interested in purchasing the site, they immediately began the remediation. Gasoline, pesticides and fertilizer contamination was identified and the contaminated soil was removed. Remarkably, only 10% of the contaminated soil was landfilled. The remaining 90% was disposed of through land-spreading techniques. A groundwater pump and treat system was also installed.

- **Park's Automotive:** This site had been a filling and service station since the 1930's. Fuel and waste oil contamination was expected and environmental investigations substantiated those suspicions. Soil removal and venting, and groundwater pump and treat systems were installed. The Village then purchased the site and entered it into the Purchaser Liability Exemption Program with the DNR.

## Obstacles

With any brownfield redevelopment project even the smallest obstacles can prove difficult. Each project has a unique set of constraints and situations that must be considered. What proves difficult for one project might not even be relevant to another. Whatever the project, all pieces of the process must come together to complete a brownfield redevelopment successfully. Some significant

obstacles included:

- The **remediation** is often thought of as the most difficult step, but this is not always true. As with this case, the knowledge and expertise of the DNR and consultants allowed them to provide solutions that worked for the Village.
- The **fear of possible contamination** discouraged parties from admitting there was a problem and beginning an environmental investigation. However, once the investigation was completed, the actual extent of contamination proved to be less than expected.
- As was true for this case, the **coordination** of funding, remediation, acquisition and construction was the most time consuming and difficult part of the process.
- **Funding** a project is always a matter of concern.

## Partnerships

Several unique partnerships were formed during this brownfield redevelopment that helped to complete this project successfully.

- A partnership was formed between the **Village and State Agencies** at the outset of this project. With these lines of communication open, all parties understood the goals and constraints of each other.
- Other partnerships included the one formed between the **Village and environmental consultants and contractors.**

## Costs

Costs, both economic and social, were distributed among all parties. The state, as well as private property owners paid for parts of the project, but it was the Village that footed the largest portion of the bill.

- The Village's **TIF District funds**

paid for most of the project. Establishing a TIF district allows the creator to borrow money against the expected increased tax value of a redeveloped area to pay for that redevelopment. Overall, the Village spent more than three million dollars. They still anticipate to pay back the TIF funds on schedule.

- **Property owners** are liable for the remediation of their property. However, there are numerous state and federal funds that can assist in paying for those remediations.

## Benefits

A lot of time, hard work and money went into this project. The benefits included:

- Putting a dollar amount on **increased community pride** is difficult, but it is none the less real. People now walk through and enjoy the neighborhood.
- Because the PSB is municipally owned there is not an assessed value for it. However, the total value of all the sites acquired for this project was \$840,000 and the current value of the PSB is \$ 2.7 million. This represents a **330% increase in value.** Also, it is difficult to correlate increased adjacent property values to the PSB, but most people feel that it has had a **positive impact** on the neighborhood.
- Businesses that once wanted to leave the area now want to stay, improve and expand their own companies, providing an **increased tax base** for the Village.

## Conclusions

The Village of DeForest's Public Safety Building now sits on what were four brownfield sites. These sites were under utilized, environmentally contaminated, run down or blighted, and overall detrimental to the Village's inner core. They are gone and an attractive new municipal building exists. This case study is proof

that even small rural communities can use brownfield redevelopment to their own benefit.

There is also an in-depth case study available for the Village of DeForest's new Public Safety Building.

## Contacts

Contact the DNR-Bureau for Remediation and Redevelopment for more information regarding their "tool box" of techniques that can aid any size community or private individual in Brownfields Redevelopment.

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